

RECYCLING AND REFUSE FUND

Description of Fund	The Recycling and Refuse Fund is one of the Village's three Enterprise Funds. This Fund accounts for the revenues and expenditures related to the provision of recycling and refuse collection and disposal services to residents, as well as brush pickup and chipping services and storm clean up. All activities necessary to provide such services including administration, operations, and billing and collection are included in this Fund.
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Budget Analysis

The Recycling and Refuse Fund Budget includes \$7,990 in Available Funds Over Expenditures in 2003 and \$702 in Available Funds Over Expenditures in 2004. Total Available Funds include all Operating Revenue, any Non-Operating Revenue, and net Interfund Transfers In/(Out). In 2003, Total Available Funds are projected to decrease by \$6,893 (less than 1.00%) from \$847,743 in 2002 to \$840,850 in 2003. In 2004, Available Funds are projected to increase by \$15,600 (1.90%), to a total of \$856,450.

The projected decrease in Total Available Funds in 2003 is due to a reduction in total estimated revenues. The 2002 budgeted revenue projection anticipated a significant increase in the customer base that did not materialize. As a result, 2002 revenues are projected to fall short of the original budget projection by approximately \$20,000. Little or no single-family development within Barrington is anticipated in 2003 and 2004 and therefore the number of customers used to calculate projected 2003 revenues is based on the current customer base. To adjust for the stagnation in revenues, a rate increase of 2% has been provided for in the 2003 budget. The net effect, even with this increase, is that Total Available Funds budgeted for 2003 are still lower than the Total Available Funds originally budgeted for 2002.

In 2003 net Transfers are projected to decline. The Village Code provides for reduced Recycling and Refuse rates for those senior citizens qualifying for property tax relief under the Illinois Circuit Breaker Program. Although the Code limits the eligibility for this reduced rate, the Village has traditionally offered it to any resident 65 years in age or older. The cost of this subsidy has been covered by the General Fund through an annual transfer to the Recycling and Refuse Fund. In this Biennial Budget, it has been assumed that effective in either the third or fourth quarter of 2003, the Village, consistent with its Code, will only provide this subsidy to those qualifying for the Illinois Circuit Breaker Program. The transfer from the General Fund to the Recycling and Refuse Fund has therefore been reduced from \$55,000 to \$35,000 – resulting in loss of funds from Transfers. An adjustment to Operating Revenues to reflect additional revenues from seniors ineligible for the discount offsets this loss. Non-Operating Revenue also decreases in 2003 by \$3,500 (58.30%), from \$6,000 in the 2002 Budget to \$2,500 in 2003.

In 2004, Total Available Funds are projected to increase by \$15,600 due to an increase in Operating Revenues of \$45,600 (5.60%). This increase in Operating Revenue is attributable to a Recycling and Refuse Collection Rate increase of 2.00%. Assuming full compliance with the code relative to the senior subsidy by the beginning of the 2004 Fiscal Year, the transfer from the General Fund will be reduced by \$30,000 and a corresponding increase in revenue will result (the households previously paying the discount will be paying the full charge for service). Non-Operating Revenue is budgeted at the 2003 level.

Expenditures

Expenditures are projected to decrease by \$11,255 (1.34%) in 2003 from a 2002 total of \$844,115 to a 2003 total of \$832,860. This projected decrease is attributable to a decline of \$21,455 (2.66%) in the budget of the Recycling and Refuse Collections Division of the Public Works Department due to reduced payments to the Solid Waste Agency of North Cook County (SWANCC) for Debt Service. This reduction is offset by an

increase in the fees charged by BFI for recycling and refuse collection services (fees to increase effective October 1, 2002 by 1.6% and projected to increase by an additional 3.5% effective October 2003 and 2004 respectively) as well as adjustments to wages and benefits for those Public Works employees charged to this fund. The decrease in Public Works is offset to some extent by an increase in the Recycling and Refuse Billing Division of Administrative Services (\$10,200) due to an adjustment in employee allocations to this Fund.

In 2004 expenditures increase by \$22,888 (2.75%) to a total of \$855,748. This increase is caused by increases in the budgets of the Recycling and Refuse Collections Division of the Public Works Department (\$20,417 or 2.53%) and the Recycling and Refuse Billing Division of Administrative Services (\$2,471 or 5.18%).

Projected Year-End Working Capital

Year-End Working Capital for the Recycling and Refuse Fund is projected to increase by \$4,937 in 2003 to \$72,962. In 2004 Working Capital is projected to again increase by the much lower amount of \$702, resulting in a fund balance of \$73,664.

**VILLAGE OF BARRINGTON
RECYCLING AND REFUSE FUND
REVENUE AND EXPENDITURE SUMMARY**

	FY 2000 <u>Actual</u>	FY 2001 <u>Actual</u>	FY 2002 <u>Amended Budget</u>	FY 2002 <u>Projected Actual</u>	FY 2003 <u>Budget</u>	FY 2004 <u>Budget</u>
<i>Beginning Working Capital⁽¹⁾</i>	49,055	56,454	64,397	64,397	64,972	72,962
Operating Revenue						
Charges for Services	745,389	745,835	783,393	765,000	799,000	844,600
Miscellaneous	4,423	4,532	3,350	3,300	4,350	4,350
Total Operating Revenue	749,812	750,367	786,743	768,300	803,350	848,950
Non-Operating Revenue						
Investment Income	7,246	5,069	6,000	3,000	2,500	2,500
Total Non-Operating Revenue	7,246	5,069	6,000	3,000	2,500	2,500
Transfers						
Transfer from GF	60,000	55,000	55,000	55,000	35,000	5,000
Total Available Funds	817,058	810,436	847,743	826,300	840,850	856,450
Operating Expenses						
Administrative Services	32,592	31,331	37,501	36,811	47,701	50,172
Public Works	777,067	771,162	806,614	788,914	785,159	805,576
Total Operating Expenses	809,659	802,493	844,115	825,725	832,860	855,748
Available Funds Over / (Under) Expenditures	7,399	7,943	3,628	575	7,990	702
<i>Year-End Working Capital⁽¹⁾</i>	56,454	64,397	68,025	64,972	72,962	73,664

(1) Working Capital is defined as current assets less current liabilities; long term liabilities and assets are not included in this calculation.